

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

-----	x	
ABN AMRO MORTGAGE GROUP, INC.,	:	
	:	
Plaintiff,	:	Case No. 07-_____
	:	
-against-	:	
	:	DECLARATION OF OMAR A.
NATIONAL SETTLEMENT AGENCY, INC.,	:	SHAKOOR IN SUPPORT OF ORDER
STEVEN M. LEFF, RACHEL M. LEFF and	:	OF ATTACHMENT, TEMPORARY
RICHARD A. LEFF,	:	RESTRAINING ORDER,
	:	PRELIMINARY INJUNCTION, AND
Defendants.	:	ORDER ALLOWING EXPEDITED
	:	DISCOVERY
-----	x	

Pursuant to 28 U.S.C. § 1746, Omar Shakoore declares and states under penalty of perjury as follows:

1. I am an associate with Bryan Cave LLP, attorneys for plaintiff ABN AMRO Mortgage Group, Inc. ("AAMG") in this lawsuit. I submit this declaration in support of AAMG's motion by order to show cause for an order of attachment, temporary restraining order, preliminary injunction, and order allowing expedited discovery.

2. A copy of a proposed order of attachment, preliminary injunction, and order allowing expedited discovery is attached hereto as Exhibit A.

3. This lawsuit for money damages is based upon the illegal and unauthorized actions of defendants National Settlement Agency, Inc. ("NSA"), Steven M. Leff ("Steven Leff"), and Rachel M. Leff ("Rachel Leff") (collectively, "Defendants"), among others, in taking for their own use and benefit more than \$2.26 million which AAMG had wired into NSA's escrow accounts for use in connection with the closing of seven residential mortgage loans ("Mortgage Loans") in April through July 2007. AAMG wired those funds into NSA's escrow

accounts because NSA had agreed and represented that they would act as AAMG's closing agent at those closings and would disburse the wired funds from NSA's escrow accounts only as directed by AAMG to pay off the existing liens and to make other payments required for closing. Instead, Defendants stole the wired funds for themselves. These facts are set forth in the accompanying Affidavit of Lorie Miller, sworn to on August 28, 2007 ("Miller Affidavit").

4. Indeed, as averred in the Miller Affidavit, in late July 2007, Steven Leff advised Kevin P. Corbin, Vice President and Counsel of AAMG, that loan funds that AAMG had wired into NSA's escrow accounts had been embezzled. Because AAMG has not received information and documents regarding the closings of those mortgage loans or any information about precisely where its funds have been transferred, AAMG does not now know the whereabouts of the converted funds or precisely how much has been taken and misapplied.

5. On August 21, 2007, defendant Steven Leff was arrested by Special Agents of the FBI and charged with violating 18 U.S.C. § 656, a criminal statute, for willfully misapplying bank deposits that were entrusted to his custody and care. See Email from the Victim's Unit of the U.S. Attorney's Office, dated August 24, 2007, attached as Exhibit B. According to the Complaint and Affidavit in Support of Application for Arrest Warrant, dated August 21, 2007, Steven Leff provided a written statement to the Federal Bureau of Investigation ("FBI") acknowledging that "on numerous occasions, he knowingly and wilfully [sic] made unauthorized transfer of funds belonging to the banks held in NSA's escrow accounts. These funds were transferred to NSA's operating account without the knowledge or permission of the banks. Some of these funds were transferred to the defendant personally." A copy of that Complaint and Affidavit is also attached as Exhibit B.

6. Steven Leff was able to post the \$1 million bond required for his release from custody. *See* Exhibit B.

7. Upon information and belief, IndyMac Bank, F.S.B. (“IndyMac”) is another bank whose escrowed funds were taken without authorization by Defendants. They have filed a related lawsuit (“Related Case”), IndyMac Bank, F.S.B. v. NSA, et al., 07 Civ 6865 (LTS), in this Court. On August 6 and August 8, 2007, Judge Kimba Wood granted IndyMac’s motion in that Related Case by order to show cause against NSA and Steven Leff, for (i) an order of attachment; (ii) a temporary restraining order and preliminary injunction; and (iii) an order allowing expedited third-party discovery. A copy of those orders are attached as Exhibit C.

8. Expedited discovery in the Related Case has revealed that transfers of \$400,000 and \$230,000 were made on May 24, 2007, and June 22, 2007, respectively, from NSA’s escrow accounts to a personal bank account of Rachel Leff. A copy of the relevant Declaration in the Related Case describing those findings is attached as Exhibit D. In addition, several transfers totaling more than \$900,000 were made from NSA’s Lydian Funding Account to Rachel Leff’s personal bank account. *See* Exhibit D. Expedited discovery in the Related Case has also revealed that Rachel Leff has moved to the State of Florida.

9. On August 16, 2007, Judge Wood entered an order to show cause with a temporary restraining order against Rachel Leff in the Related Case. *See* Exhibit E.

10. Accordingly, it is reasonable to infer that Defendants have not been acting in good faith and that they will make every effort to frustrate AAMG’s collection efforts.

11. Steven Leff is the President of NSA, as indicated by a LexisNexis business entity search. *See* Exhibit F.

12. According to the New York Department of State website, Rachel Leff is the Chairman or Chief Executive Officer of NSA. *See* Exhibit G.


13. An order allowing expedited discovery is needed so that AAMG may immediately serve subpoenas upon third parties having knowledge of, among other things, the whereabouts of the AAMG Funds, attachable assets owned by Defendants and the identity of other responsible parties. This information will aid AAMG in locating its stolen funds and preventing further dissipation of the assets of Defendants in frustration of AAMG's potential judgment.

14. No prior request for this or similar relief has been made in this action.

WHEREFORE, it is respectfully requested that this Court grant AAMG's application for an order of attachment in the amount of \$2,261,744.10, plus interest, costs, fees and disbursements, a temporary restraining order and preliminary injunction, and expedited discovery, together with such other relief as the court deems proper.

Dated: New York, New York  
August 28, 2007

BRYAN CAVE LLP

  
\_\_\_\_\_  
By: Omar A. Shakoor (OS 4913)  
1290 Avenue of the Americas  
New York, New York 10104  
(212) 541-2000  
*Attorneys for the Plaintiff*